

**CITY OF KEEGO HARBOR
STUDY SESSION
MEETING MINUTES
TUESDAY, June 18, 2019**

CALL THE MEETING TO ORDER: Mayor John Fletcher, called the meeting to order at 7:06pm

ROLL CALL:

Present: Mayor Fletcher, Mayor Pro Tem Rob Kalman, and Council Member Brian Lampl

Excused Absence: Council Member Theresa Shimansky

Motion to excuse Council Member Theresa Shimansky by Council Member Kalman, support by Council Member Meabrod.

Motion carried

STAFF PRESENT: City Manager Jered Ottenwess, Police Chief John Fitzgerald and City Clerk Tammy Neeb

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT:

David Emerling 1896 Cass Lake Front Road: In the past a Code Enforcement report was given at Council Meetings. Emerling questioned if we could start getting these reports again? City Manager Ottenwess will address this issue.

Skate Night:

Skate Night is an event that has been held in Keego Harbor for the past 18 years consecutive years, originally started by Keego Harbor Police Department. Team Keego a private 501C3 organization organized Skated Night for the past several years. The City is working under the assumption that Team Keego will no longer organize the event. The Parks and Recreation Commission passed a motion at their June 13, 2019 meeting not to be involved in organizing the event. The FY19-20 Budget includes \$6,000 for Skate Night Event Promotion. The City Staff does not have the capacity at this point to organize the event. City Council discussed postponing 2019 Skate Night for re-structuring of the event. City Council also discussed the possibilities of having some type of Community Event after the Memorial Day Parade.

Municode Recodification Proposal:

The City does not currently have its official ordinances available online in a codified format. The last update to our hard copy Code of Ordinance book appears to be from November 2002. Municode is the industry leader for codifying ordinances. The recodification process they proposed would prove to be an invaluable asset for ensuring that the public, City officials, and staff have full access to current ordinances provided online and in a hard copy format. The \$13,950 price tag for recodification and web hosting was not included in the FT 19-20 Budget, however there may be funds available in General Fund – Professional Services. City staff will get the ordinances organized to see how much work is needed. City Council would like to revisit this in December.

Coal Tar Sealant Ordinance:

City Manager Ottenwess recently met with staff from the Clinton River Water Shed Council (CRWC) to discuss shoreline and other improvements to Dollar Lake. When onsite at Dollar Lake they noticed a parking lot had recently been paved. CRWC staff mentioned the potential harmful impacts of coal tar sealant that are often used in such applications. They discussed the prohibitions many municipalities across the state and county are enacting to prevent their use. West Bloomfield Township approved an Ordinance C-310G prohibiting the use of coal tar sealants in July 2017. Prohibiting the use of coal tar-based sealants is a reasonable step to take in the right direction.

City-owned Property Encroachments:

The City's engineering firm, HRC has been surveying City-owned properties as part of their SAW grant efforts. City Manager is currently working on scheduling a meeting with the SAW Grant Committee, comprised of HRC and City staff and two Council Members, to collaborate on finalizing the survey drawings. There are still some aspects of the survey that should be investigated further, including the park area adjacent to the Willow Beach car bridge. City Manager Ottenwess is also working with the City Attorney to compel adjacent property owners to remove encroaching structures where applicable. City Council would like more in-depth information regarding survey iron on the corners of city owned property. Manager Ottenwess will address these issues with HRC.

Information Technology Service Agreement:

The City of Keego Harbor has relatively limited IT infrastructure. The primary components include a server housed in City

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Hall, 12 desktop computers, a laptop and tablet. The City requires the services of a professional firm to maintain the server; provide regular updates to the Windows operating system on the desktops and server; backup server data; troubleshoot desktop/user issues; and provide technical support.

Staff, along with Council Member Lampl, has been working to procure information technology services for several months. We have solicited bids for multiple firms. In determining the best option, we considered a range of factors in addition to cost. Two bids are in the high price range (Dell and Marco) and two are more reasonably priced (IT Right and Watech).

Council would like a more specific RFP sheet created; the companies will be given the chance to give new bids accordingly. This item will be removed from Thursdays Council Agenda.

Agreement for Central Support Services with Oakland County:

The city has used Oakland County's Central Support Service (garage) for repair and maintenance of police vehicles for some time period. They offer expert mechanic services to local units of government at a competitive price. Oakland County has begun requiring local units of government to enter into a formal agreement in order to continue providing the service. The agreement is a standard agreement, with a five-year term.

Designate Chase Bank as City Depository:

The City switched to PNC bank when they became the only bank to retain a branch within the City's limits. That branch has been closed for some time. PNC's web-based services are not comprehensive or user-friendly as Chase's. Chase has a designated Municipal Banker that would provide a primary point of contact for the City to resolve issues address special projects, etc.

City Charter Section 11.9 stipulates that the City Council "shall designate the depository or depositories for city funds." City Manager Ottenwess is requesting that City council designate Chase Bank as a City Depository. This would not preclude the City from continuing to use PNC at its discretion.

Zoning Application Permit fee and Permit Fee Waiver:

The City Council encourages residential property owners to cleanup and beautify their properties in the City of Keego Harbor.

The City Council discussed authorizing a waiver of the collection Zoning Application fees, Building Application and construction values during the dates of July 1, 2019 thru September 30, 2019.

Michigan Municipal Risk Management Authority (MMRMA) Policy Renewal:

MMRMA is a public entity self-insurance pool for liability and property coverage to municipal governmental entities across Michigan. MMRMA is the largest liability and property pool in Michigan and a recognized national leader in the field. City Council discussed renewing the policy in effect with MMRMA for the upcoming fiscal year.

Michigan Employee Retirement Systems (MERS) Retirement Health Funding Vehicle:

Public Act 202 of 2017 changed some important requirements for municipalities in terms of funding pension and retiree health benefits. Municipalities are now required to pay the normal cost for retiree health insurance benefits. The normal cost is defined as the value of benefits expected to be earned during the current year based on certain actuarial methods and assumptions. In pension accounting, this is also known as "service cost."

The City of Keego Harbor hired Midwest Pension Actuaries to prepare an actuarial valuation of its postretirement healthcare plans in 2017, pursuant to the new requirements of the Governmental Accounting Standards Board (GASB) Statements 74 and 75. Midwest Pension Actuaries determined that the City has \$32,890 in unfunded accrued liability.

The City does not currently have a formal funding mechanism in place to pay for its unfunded liability. The Michigan Employee Retirement System (MERS) now has a vehicle in place to set funds aside to pay retiree health insurance benefit costs, the Retiree Health Funding Vehicle (RHFV). The City Council may consider approving the resolution from MERS adopting their RHFV.

The RHFV does not obligate the City to make contributions. The RHFV simply provides a voluntary mechanism for setting funds aside to pay for future costs.

Wade Trim Professional Services Agreement:

Wade-Trim's service agreement expired on March 31, 2019, but they have continued providing service at the previously agreed upon rate through the end of the fiscal year at my request. Council discussed benefits of adding ½ day and Wade-

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Trim's service.

During recent budget discussions City Council requested that Wade-Trim provide a proposal that includes one day per week of in-office service year-round, whereas the previous agreement provided for one half day from October through March. The cost of the service agreement (\$46,200) was considered as part of the General Fund – Professional Services line item in the FY19-20 Budget.

Resolution 19-19 Compliance with Public Act 152- Medical Benefit Plan Employee Contributions:

The City Council recently took action to amend the City of Keego Harbor Employee Manual, which now includes employee cost sharing provisions for health insurance benefits, whereby the employee pays 20% of the cost of the premiums and health savings account contributions consistent with PA 152. The collective bargaining agreement with the police officers (Police Officers Labor Council) stipulates that the City and Union agree that health insurance benefits will comply with the provisions of PA 152. In order to bring the City into compliance with PA 152 for the upcoming July 2019 – June 2020 medical benefit plan year, the City Council must act to formally adopt the 80/20 premium split.

Tax Increment Finance Authority (TIFA) Market Analyses:

The proposed residential and retail market analyses provide data that are essential to developing a well-conceived planning process for the future of the TIFA area. The analyses will demonstrate the types of residential and retail uses that will be supported by the market in the City of Keego Harbor. The data provided are very detailed, for example, indicating the square footage of various types of retail space that can be supported including the price per square foot. The analyses pinpoint specific housing types that will be supported and the demographic groups that have unmet demand for such housing. These data will give the Planning Commission and City Council the ability to be make fine-grained decisions relative to the future land use and zoning maps. Moreover, the analyses can help guide redevelopment efforts that are fundamental aspects of the TIFA's statutorily defined function.

FY 18 -19 Budget Amendments:

The Amended FY18-19 Budget complies with statutory requirements for a balanced budget. Revenues will cover expenditures and all funds will close the fiscal year with a net zero or greater impact to their respective fund balances.

The General Fund is budgeted to end the fiscal year adding \$166,609 to the fund balance.

Meeting adjourned 8:30 p.m.



John Fletcher
City of Keego Harbor, its Mayor



Tammy Neeb
City of Keego Harbor, its City Clerk

